

October 17, 2011

Federal Communications Commission, Office of the Secretary  
445 12th Street SW  
Washington, DC 20554

Received & Inspected

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FCC Mail Room

Appeal: CC Docket No. 02-6

This is a Letter of Appeal to a Notification of Commitment Adjustment Letter from the Schools and Libraries Division/USAC dated September 1, 2011 regarding four FRNS (in three 471 applications).

**FRN 1316125**, (2005 funding cycle)  
**Form 471 Application Number: 476927**

**FRN 1314749**, (2005 funding cycle)  
**Form 471 Application Number: 476223**

**FRN 1317797**, (2005 funding cycle)  
**Form 471 Application Number: 476357**

**FRN 1549430**, (2007 funding cycle)  
**Form 471 Application Number: 554576**

Billed Entity Name: Olton Independent School District  
Billed Entity Number: 210427  
FCC RN: 0011625712

Text from Letters of Notification of Commitment Adjustment:

"After a thorough investigation, it has been determined that this funding commitment must be rescinded in full. During the course of review it was determined that one employee, Stephen Miller, of Responsive Services International Inc. was on the technology planning committee for Olton Independent School Districts technology plan. Therefore, Responsive Services International Inc. was involved in determining the services sought by the applicant and the selection of the applicants service providers is associated with a service provider that was selected. FCC rules require applicants to submit a Form 470 to initiate the competitive bidding process, and to conduct a fair and open process. The applicant should not have a relationship with a service provider prior to the competitive bidding that would unfairly influence the outcome of a competition or would furnish the service provider with 'inside' information or allow it to unfairly compete in any way. Since the applicant has engaged in an improper relationship with a selected service provider, which represents the conflict of interests and compromises the competitive bidding process, the commitment has been rescinded in full and USAC will seek recovery of any disbursed funds from the applicant and service provider."

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**Stephen Miller is an employee of Responsive Services International. He is not a district employee and has no decision-making role.** Following is a restatement of questions and responses related to this FRN during the USAC review:

1. What is your relationship/association with Responsive Services International Inc.?  
Olton ISD contracts with Responsive Services International for IT support and services.
2. Please provide a description of the relationship/association with all members of the district's IT Department and Responsive Services International Inc., prior to and during the competitive bidding process that resulted in the contracts underlying the requests shown on the aforementioned Funding Request Numbers.  
All technology decisions are made by the administration in Olton ISD. Olton ISD contracts with Responsive Services International for IT support and services.
3. Do you have a relationship/association with Responsive Services International Inc. that is beyond what is required to do business with Olton Independent School District? If yes, please explain circumstances.  
No
4. Have you or other members of the Olton Independent School District and/or the IT Department received gifts or other gratuities from Responsive Services International Inc.? If yes, please explain the circumstances.  
No
5. Have you or other member of Olton Independent School District and/or the IT Department ever completed a conflict of interest questionnaire where Responsive Services International Inc. was listed on the questionnaire? If yes, please provide a copy of the questionnaire that contains the statements about Responsive Services International Inc. If the status of the answers has changed since the questionnaire was completed, please explain the changes.  
No
6. Do you and other members of Olton Independent School District and/or the IT Department have any financial interest in Responsive Services International Inc.? If yes, please explain the financial interest.  
No
7. Do you and other members of Olton Independent School District and/or the IT Department have any family members working for Responsive Services International Inc.? If yes, please explain the circumstances.  
No

8. If there were family members working for Responsive Services International Inc., was a conflict of interest present in the selection of Responsive Services International Inc. as the service provider for the aforementioned Funding Request Numbers? If a conflict of interest was present, please show documentation how that conflicted was mitigated in relation to the selection of Responsive Services International Inc. as the vendor.

NA

9. Please provide your bid evaluation matrix that was used to select your vendors for the aforementioned Funding Request Numbers. Include all bids that you received and any other bid documentation such as attendance sheets, correspondences to and from the bidding vendor and a description of your bid evaluation process. This information should be provided for all funding requests including tariff, month-to-month or contracted services specified earlier in this letter. For additional information regarding this section, please visit

<http://www.universalservice.org/sl/applicants/step04/construct-evaluation.aspx>.

My (Morton) work with Olton ISD began in December 2006, after the 2005 application was filed. Olton ISD is a small, rural school district, some 65 miles from Lubbock. It is my understanding that the district received only one bid for IT support in 2005.

10. According to the USAC website, <http://www.usac.org/sl/applicants/step03/run-open-fair-competition.aspx>, all bidders must be treated the same and no bidder can have advance knowledge of project information. Not using a competitive bidding process that is fair and open, with price being the primary factor used in the selection of the winning bidder, is a violation of program rules. "Fair" means that all bidders are treated the same and that no bidder has advance knowledge of the project information. "Open" means there are no secrets in the process – such as information shared with one bidder but not with others—and that all bidders know what is required of them.

My (Morton) work with Olton ISD began in December 2006, after the 2005 application was filed. Olton ISD is a small, rural school district, some 65 miles from Lubbock. It is my understanding that the district received only one bid for IT support in 2005. Unlike districts in more urban areas, Olton does not receive multiple bids for continuing onsite support. The district posts a timely Form 470 application online which we understand meets the erate posting requirements.

Contact to discuss:  
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